

ANNUAL OPERATING STATEMENT & WORKING BUDGET

INTRODUCTION

The Annual Operating Statement and Working Budget provide financial information regarding actual and anticipated revenue and actual and anticipated expenses. Actual revenue and expenses reflect the revenue received and costs incurred for the most recent complete year of service operations. Anticipated revenue and expenses reflect the expected revenue and expenses for the next year of operations and constitute the working budget for the facility. This form is of primary importance in providing selected information needed to determine financial responsibility as required by the Standards. The instructions for completing the form which follow describe the information to be recorded for each item.

INSTRUCTIONS FOR COMPLETING THE FORM

ACTUAL AND ANTICIPATED REVENUE: This section should reflect the actual and anticipated annual income available to operate the facility. It should not reflect the actual and anticipated annual income of the applicant(s) unless this income was or will be used to operate the facility. Anticipated amounts should be as accurate as possible and supported by confirming documentation to the maximum extent feasible. Actual amounts should be supported by confirming documentation.

1. **Fees for Residential Care:** The actual and anticipated revenue which was or will be received each year as fees or payments for care should be entered here. Anticipated values should be based on the rate per individual to be charged by the facility and the number of persons that will actually be in care during the next year of operation. This may be estimated to be less than the licensed capacity which is being requested on the application and, if so, should be used rather than licensed capacity in determining the anticipated revenue to be received.
2. **Fees for Other Services:** The actual anticipated revenue which was and will be received each year as fees or payments for care or services provided to individuals other than those in residential (24 hour) care.
3. **Federal Funds:** The revenue which was and will be received each year from Federal agencies.
4. **State Funds:** The revenue which was and will be received each year from State agencies.
5. **Local Funds:** The revenue which was and will be received each year from localities.
6. **Income from Investments:** Annual income to support facility operation which was and will be provided by any existing investments.
7. **Endowment/Trust Fund(s):** Revenue which was or is to be received for the entire year from any endowments or trust funds which currently exist and provided or would provide income to be used to support facility operations.
8. **Donations/Solicitations:** Income received or estimated to be received from such sources as religious or fraternal organizations, United Way funds, fund drives and solicitations, or any other fundraising activity used to support facility operations.
9. **Other (Specify):** Annual income received or estimated to be received from any other source(s) which will be used to operate the facility. Specify each source and the amount.

ACTUAL AND ANTICIPATED EXPENSES: This includes actual and anticipated annual expenses of service operation. It is the total of all expense items shown below. Three major categories of expenses are shown.

The explanations of the sub-headings are intended to assist the applicant in understanding the number and types of financial considerations which may be involved in service operation, and to assist the Department in evaluating the provider's application.

1. Administration:

a. **Office Supplies & Equipment:** Actual and estimated annual cost of expendable and non-expendable items used for administrative purposes. (e.g. pens, pencils, paper).

b. **Depreciation: Buildings:** Total annual amount and estimate of depreciation on all buildings owned and utilized by the facility to support the administration of the facility (e.g. buildings that house administrative offices). Annual Operating Statement & Working Budget Instructions

c. **Depreciation: Equipment:** Total annual amount and estimate of depreciation on all capital equipment owned and used in support of administrative operations (e.g. desks, chairs, computers, etc. used in administrative offices).

d. Insurance:

(1) **Liability (Premises and Operations):** Total annual cost of liability insurance covering the premises and operation.

(2) **Liability (Vehicles):** Total annual cost of liability insurance covering all of the vehicles used in support of service's operations.

(3) **Other:** Total annual cost of other types of insurance (e.g. fire insurance). NOTE: Health Care, Group Life, and other insurance benefiting employees should be shown under Salaries, Wages & Benefits below and not in this item.

e. **Interest:** Total amount of interest payments paid during the past year and due within the next year on outstanding loans or other debts.

f. **Taxes:** Annual amount of all taxes which were paid last year and must be paid this year by the facility. This would include VEC taxes and Federal Unemployment Taxes which must be paid on employees' salaries and wages as well as business license taxes, property taxes, real estate taxes (if not included as part of the mortgage payment under Item 3, below). NOTE: The Employer's FICA (Social Security) taxes should be shown under Item 2, b, below and not in this item. Specify each tax on a separate line under the entry taxes.

2. Salaries, Wages & Benefits:

a. **Salaries & Wages:** All salaries and wages paid during the last year and to be paid by the facility to its employees; and, if the facility is a corporation or association, to its Board of Directors or chief administrative officer; for salaries or expenses, trainers, social workers and other professional staff persons; secretaries, clerks and assistants; maintenance workers; and grounds keepers, janitors and any others who are regular employees of the facility.

b. **FICA (Social Security):** Enter the total annual FICA (Social Security) tax, (including both OASDI and Medicare) to be paid by the facility for all employees.

c. **Health Care Insurance:** Total amount of annual premiums paid by the facility for health care insurance for employees when the cost of all or part of such insurance is provided by the facility. Do not include portions paid by employees.

d. **Group Life Insurance:** Total amount of annual premiums paid by the facility for employee group life insurance when the cost of all or part of such insurance is provided by the facility.

e. **Employer Retirement Contribution:** Total annual contribution made by the facility to the retirement fund(s) of employees.

f. **Other Benefits (Specify):** On an item by item basis, the cost(s) of any additional benefits provided by the facility to employees.

3. Operations:

a. **Food:** Actual and anticipated annual cost of food to be used in the facility. It includes the food required for three meals each day, and the cost of any snacks which are provided. (Do not include the cost of food provided at no cost to staff who are required to eat with residents. These costs are reported under Item 3m: Other.)

b. **Rent or Mortgage Payments:** Payments for buildings/property of the facility (e.g. office building, living units); amount shown should be the total annual expense.

c. **Utilities:** Total of payments made or to be made by the facility for electricity, water, fuel oil, gas (for heating), sewage and refuse services, telephone and similar services.

d. **Maintenance & Repairs:** Annual cost of all items used to maintain and carry out necessary repairs on the facility. This would include such items as paint, lumber, nails, roofing materials, grass seed.

e. **Equipment and Supplies:** Total actual and projected annual cost of equipment, which is not to be depreciated, and expendable supplies which were and will be used to support facility operation in areas other than the administrative offices. Equipment rental costs should be included here.

f. **Depreciation: Buildings:** Total actual costs and annual estimate of depreciation on all buildings owned and utilized by the facility to support operation other than administration (e.g. classrooms, residential cottages).

g. **Depreciation: Equipment:** Total actual costs and annual estimate of depreciation on all capital equipment owned and used by the facility in support of operation other than administration (e.g. food service equipment, furniture in residential cottages, classroom equipment, vehicles.)

h. **Motor Vehicles:** All expenses related to the maintenance and operation of cars, vans, trucks, etc, owned by the facility and used in support of the operation of the facility.

i. **Laundry and Linens:** Cost of soap, detergents, etc., required for the laundry of table linens, bed linens, etc., used by the facility and the cost for outside laundry services.

j. **Staff Travel:** Actual travel expenses for last year and total projected travel expense for staff which will be incurred in support of facility operations and the program offered by the facility. This includes transportation costs, the cost for food and the cost for lodging if overnight travel is required.

k. **Staff Training:** Actual and projected annual costs of formal training for facility staff which will be paid for or reimbursed by the facility.

l. **Contractual Services:** Actual and projected annual cost for any services provided to the facility under contract to support the program offered or facility operation. List each contractual service separately. Annual Operating Statement & Working Budget Instructions 6

m. **Other (Specify):** Annual cost of all other expenses not included in other items. Specify each item of expense included here and the expense amount (e.g. the estimated cost of meals provided at no cost to staff who are required to eat with residents would be entered here).

ANNUAL OPERATING STATEMENT & WORKING BUDGET

Name of Facility: _____

Date: _____

REVENUE (ACTUAL & ANTICIPATED)

	<u>Actual This Year</u> Date: _____ to _____	<u>Anticipated Next Year</u> Date: to _____
1. Fees for Children in Care	\$ _____	\$ _____
2. Fees from Other Clients/Services	\$ _____	\$ _____
3. Federal Funds	\$ _____	\$ _____
4. State Funds	\$ _____	\$ _____
5. Local Funds	\$ _____	\$ _____
6. Income from Investments	\$ _____	\$ _____
7. Endowment/Trust Fund(s)	\$ _____	\$ _____
8. Donations/Solicitations	\$ _____	\$ _____
9. Other	\$ _____	\$ _____
TOTAL REVENUE	\$ _____	\$ _____

EXPENSES (ACTUAL & ANTICIPATED)

	<u>Actual This Year</u> Date: _____ to _____	<u>Anticipated Next Year</u> Date: to _____
1. ADMINISTRATION:		
a. Office Supplies & Equipment	\$ _____	\$ _____
b. Depreciation: Building	\$ _____	\$ _____
c. Depreciation: Equipment	\$ _____	\$ _____
d. Insurance		

Actual This Year

Anticipated Next Year

Date:_____ to

Date: to

(1) Liability (Premises/ Operations) \$_____

\$_____

(2) Liability (Vehicles) \$_____

\$_____

(3) Other (Specify by type) \$_____

\$_____

e. Interest \$_____

\$_____

f. Taxes (Specify by type) \$_____

\$_____

TOTAL ADMINISTRATION EXPENSES

\$_____

\$_____

2. SALARIES, WAGES & BENEFITS

a. Salaries and Wages \$_____

\$_____

b. FICA (Social Security) \$_____

\$_____

c. Health Care Insurance \$_____

\$_____

d. Group Life Insurance \$_____

\$_____

e. Employer Retirement Contributions \$_____

\$_____

f. Other Benefits (Specify) \$_____

\$_____

TOTAL SALARIES, WAGES & BENEFITS EXPENSES

\$_____

\$_____

3. OPERATIONS:

a. Food \$_____

\$_____

b. Rent/Mortgage Payments \$_____

\$_____

c. Utilities \$_____

\$_____

d. Maintenance & Repairs \$_____

\$_____

e. Equipment & Supplies \$_____

\$_____

f. Depreciation: Buildings \$_____

\$_____

	<u>Actual This Year</u> Date:_____ to	<u>Anticipated Next Year</u> Date: to
g. Depreciation: Equipment	\$_____	\$_____
h. Motor Vehicle	\$_____	\$_____
i. Laundry and Linens	\$_____	\$_____
j. Staff Travel	\$_____	\$_____
k. Staff Training	\$_____	\$_____
l. Contractual Services (Specify)	\$_____	\$_____
m. Other (Specify)	\$_____	\$_____
 TOTAL OPERATIONS EXPENSES	 \$_____	 \$_____
TOTAL EXPENSES	\$_____	\$_____

AVERAGE NUMBER OF CHILDREN IN CARE THIS YEAR: _____

ANTICIPATED NUMBER OF CHILDREN IN CARE NEXT YEAR: _____

**DMHMRSAS REGULATION OF
CHILDREN'S RESIDENTIAL FACILITIES**

INSTRUCTIONS FOR COMPLETING THE BALANCE SHEET FOR PRIVATE SECTOR FACILITIES

INTRODUCTION:

The purpose of a balance sheet is to show the financial condition of a business on a specific date. A Balance sheet consists of a listing of the assets and liabilities of a business and the owner's equity. Assets are further classified as current assets and plant and equipment. Liabilities are further classified as current and long term liabilities. This form is important in providing information needed to determine financial responsibility as required by the Regulations.

INSTRUCTIONS FOR COMPLETING THE FORM

ASSETS

CURRENT ASSETS: For each category, enter the assets which quickly can be converted to cash and which are reserved to meet immediate expenses of operating the facility.

Cash: Include currency, cash in checking accounts, and cash in savings accounts. The amount shown must be available now to operate the facility.

Monetary Investments: Include Certificates of Deposit, Savings Bonds, Treasury Bills, and other investments which quickly can be converted to cash. They currently must be owned by the applicant and identified for immediate use in operating expenses of the facility.

Negotiable Securities: Include stocks, corporate bonds, etc., which are owned by the applicant and are identified for use, if necessary, in operating the facility.

Accounts Receivable: Include monies owed to the applicant which are due within one year and would be used, if necessary, when received to fund operation of the facility.

Notes Receivable: Include promissory notes held by the applicant which are due within one year of the date of application and whose proceeds would be used, if necessary, to fund operation of the facility.

Other Current Assets: Include any other assets which quickly could be converted to cash within the operating year and used, if necessary, to fund operation of the facility.

LIABILITIES

CURRENT LIABILITIES: For each category, enter all liabilities which must be paid within the next 12 months.

Accounts Payable: Include the sum of the total unpaid salaries and payment of all unpaid bills and financial obligations which fall due within the next 12 months with the exception of mortgage payments and installment loans. Examples include utility bills, unpaid salaries/wages to current employees, charge accounts, and credit cards.

Notes Payable: Include all payments which must be made within the next 12 months on existing contracts, mortgages and installment loans.

Other: Include any other existing obligations which are due during the next 12 months. Include payments of obligations which are in arrears such as income taxes, property taxes, insurance, interest payable, etc. Itemize each item separately.

LONG TERM LIABILITIES: For each category, enter the liabilities which are due more than one year from the date of the Balance sheet.

Mortgage(s) Payable: Include the total amount necessary to liquidate any mortgage(s) on the facility less the amount reflected as part of mortgage(s) payable as current liabilities.

Notes Payable: Include the total amount necessary to liquidate all outstanding contracts, installment loans or promissory notes less the amount reflected as part of the notes payable amount reported as a current liability.

Other: Include all other long term liabilities which are owed and were incurred to support facility operations. List each item separately.

**DMHMRSAS REGULATION OF
CHILDREN'S RESIDENTIAL FACILITIES**

**BALANCE SHEET FOR PRIVATE
SECTOR FACILITIES**

DATE: _____

NAME OF FACILITY: _____

ASSETS

CURRENT ASSETS:

Cash \$ _____

Monetary Investments _____

Negotiable Securities _____

Accounts Receivable _____

Notes Receivable _____

Other (Specify) _____

Other (Specify) _____

Other (Specify) _____

TOTAL CURRENT ASSETS \$ _____

PLANT & EQUIPMENT ASSETS:

Notes Receivable \$ _____

Land (Purchase Price) _____

Buildings (Purchase Price) \$ _____

Less: Accumulated Depreciation _____
Current Value _____

Furniture, Fixtures, and Office
Equipment (Purchase Price) _____

Less: Accumulated Depreciation _____
Current Value _____

Vehicles (Purchase Prices) _____

Less: Accumulated Depreciation _____
Current Value _____

Other (Specify) _____

Other (Specify) _____

Other (Specify) _____

TOTAL PLANT & EQUIPMENT \$ _____

TOTAL ASSETS

TOTAL CURRENT ASSETS \$ _____

TOTAL PLANT & EQUIPMENT \$ _____

TOTAL ASSETS \$ _____

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable \$ _____

Notes Payable _____

Other (Specify) _____

Other (Specify) _____

TOTAL CURRENT LIABILITIES

\$ _____

LONG TERM LIABILITIES

Mortgage(s) Payable \$ _____

Notes Payable _____

Other (Specify) _____

Other (Specify) _____

TOTAL LONG TERM LIABILITIES

\$ _____

TOTAL LIABILITIES

TOTAL CURRENT LIABILITIES \$ _____

TOTAL LONG TERM LIABILITIES \$ _____

TOTAL LIABILITIES \$ _____

OWNER'S EQUITY

Owner's Capital \$ _____

TOTAL LIABILITIES AND OWNER'S EQUITY \$ _____